

# House File 122 - Introduced

HOUSE FILE 122

BY HUNTER, OLSON, CAHILL,  
WILBURN, STAED, MASCHER,  
and EHLERT

## A BILL FOR

1 An Act relating to the state minimum hourly wage.

2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 91D.1, subsection 1, Code 2021, is  
2 amended to read as follows:

3 1. *a.* (1) The state hourly wage shall be at least ~~\$6.20 as~~  
4 ~~of April 1, 2007, and \$7.25 as of January 1, 2008~~ \$8.20 as of  
5 July 1, 2021, \$9.15 as of July 1, 2022, \$10.10 as of January 1,  
6 2023, \$11.05 as of July 1, 2023, \$12.00 as of January 1, 2024,  
7 \$12.95 as of July 1, 2024, \$13.90 as of January 1, 2025, and  
8 \$15.00 as of July 1, 2025.

9 (2) The state hourly wage, including the state hourly wage  
10 for the first ninety calendar days of employment provided in  
11 paragraph "d", shall be increased annually on July 1, beginning  
12 July 1, 2026, by the same percentage as the cost-of-living  
13 increase in federal social security benefits authorized during  
14 the previous state fiscal year by the federal social security  
15 administration pursuant to section 215 of the federal Social  
16 Security Act, 42 U.S.C. §415.

17 *b.* Every employer, as defined in the federal Fair Labor  
18 Standards Act of 1938, as amended to ~~January 1, 2007~~ July 1,  
19 2021, shall pay to each of the employer's employees, as defined  
20 in the federal Fair Labor Standards Act of 1938, as amended to  
21 ~~January 1, 2007~~ July 1, 2021, the state hourly wage stated in  
22 paragraph "a", or the current federal minimum wage, pursuant to  
23 29 U.S.C. §206, as amended, whichever is greater.

24 *c.* For purposes of determining whether an employee of a  
25 restaurant, hotel, motel, inn, or cabin, who customarily and  
26 regularly receives more than ~~thirty~~ one hundred dollars a month  
27 in tips is receiving the minimum hourly wage rate prescribed  
28 by this section, the amount paid the employee by the employer  
29 shall be deemed to be increased on account of the tips by an  
30 amount determined by the employer, not to exceed forty percent  
31 of the applicable minimum wage. An employee may file a written  
32 appeal with the labor commissioner if the amount of tips  
33 received by the employee is less than the amount determined by  
34 the employer under this subsection.

35 *d.* An employer is not required to pay an employee the

1 applicable state hourly wage provided in paragraph "a" until the  
 2 employee has completed ninety calendar days of employment with  
 3 the employer. An employee who has completed ninety calendar  
 4 days of employment with the employer ~~prior to April 1, 2007, or~~  
 5 ~~January 1, 2008,~~ shall earn the applicable state hourly minimum  
 6 wage as of ~~that~~ the date of completion. An employer shall  
 7 pay an employee who has not completed ninety calendar days of  
 8 employment with the employer an hourly wage of at least ~~\$5.30~~  
 9 ~~as of April 1, 2007, and \$6.35 as of January 1, 2008~~ \$7.20 as of  
 10 July 1, 2021, \$8.05 as of July 1, 2022, \$8.85 as of January 1,  
 11 2023, \$9.70 as of July 1, 2023, \$10.55 as of January 1, 2024,  
 12 \$11.40 as of July 1, 2024, \$12.25 as of January 1, 2025, and  
 13 \$13.20 as of July 1, 2025.

14 e. A county or city may establish a minimum wage that  
 15 exceeds the state hourly wage and the federal minimum wage.

## EXPLANATION

17 The inclusion of this explanation does not constitute agreement with  
 18 the explanation's substance by the members of the general assembly.

19 This bill increases the state minimum hourly wage to \$8.20 as  
 20 of July 1, 2021, \$9.15 as of July 1, 2022, \$10.10 as of January  
 21 1, 2023, \$11.05 as of July 1, 2023, \$12.00 as of January 1,  
 22 2024, \$12.95 as of July 1, 2024, \$13.90 as of January 1, 2025,  
 23 and \$15.00 as of July 1, 2025. The bill increases the state  
 24 minimum hourly wage for employees employed for less than 90  
 25 days to \$7.20 as of July 1, 2021, \$8.05 as of July 1, 2022,  
 26 \$8.85 as of January 1, 2023, \$9.70 as of July 1, 2023, \$10.55  
 27 as of January 1, 2024, \$11.40 as of July 1, 2024, \$12.25 as of  
 28 January 1, 2025, and \$13.20 as of July 1, 2025.

29 The bill increases the state minimum hourly wage, including  
 30 the minimum hourly wage established for employees employed for  
 31 less than 90 days, annually on July 1, beginning July 1, 2026,  
 32 by the same percentage as the cost-of-living increase in social  
 33 security benefits effective as of the previous December, as  
 34 authorized by the federal social security administration.

35 The bill increases the dollar amount of monthly tips an

1 employee must receive in order to be subject to an alternative  
2 minimum wage calculation for employees who receive tips from  
3 \$30 to \$100.

4     The bill authorizes a county or city to establish a minimum  
5 wage that exceeds the state hourly wage and the federal minimum  
6 wage.